

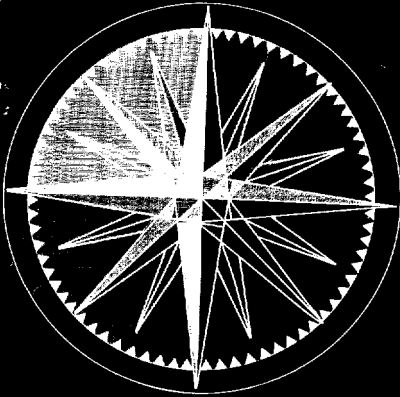
SECRET

ase 2007/05/15 : CIA-RDP79-00927A004800090002-1

9 April 1965

OCI No. 0284/65A

Copy No. 54



SPECIAL REPORT

THE SOVIET UNION SINCE KHRUSHCHEV

State Dept. review completed

CENTRAL INTELLIGENCE AGENCY
OFFICE OF CURRENT INTELLIGENCE

25X1



SECRET

GROUP 1 Excluded from automatic
downgrading and declassification

Page Denied

SECRET

9 April 1965

THE SOVIET UNION SINCE KHRUSHCHEV

After six months of consolidation and transition, the new Soviet leaders remain committed to the broad policies and goals established by the three party congresses of the Khrushchev era. However, they have introduced a new style of leadership which emphasizes a careful approach to basic economic problems and a greater regard for expert judgment, in contrast to Khrushchev's penchant for panaceas and quick solutions which often proved to be unworkable. The new agricultural plan revealed by Brezhnev in late March testifies to the collective leadership's ability to make bold and far-reaching decisions on fundamental policy questions. It not only represents a thoughtful, concerted attack on the problem of agricultural productivity but also acknowledges that the necessary resources to solve this problem can be found only by cutting back on budgetary allocations to other claimants.

In contrast to this generally successful performance in domestic affairs, the new leadership's first major departure from Khrushchev's course in foreign and international Communist affairs has miscarried. Developments in the Vietnam conflict over the past two months have led to a deterioration in Soviet relations with the US, a potentially dangerous involvement in Indochina, and an aggressive Chinese reaction which has again thrown the USSR on the defensive in the struggle with Peiping.

How to Deal With Khrushchev

The most immediate question facing the new leaders last October was what attitude to adopt toward Khrushchev. Their decision to forgo a full-scale denigration campaign and to stand on the official explanation that he was relieved of his duties because of his advanced age and the deterioration of his health--was probably influenced by a variety of reasons.

The new leaders undoubtedly recognized that direct attack would be hailed by the Chinese Communists as confirming their indictments of Khrushchev's "revisionism." They probably also saw that detailed charges against Khrushchev would tend to commit them to a wholesale repudiation of his policies and predetermine their future lines of movement. It seems likely, moreover, that any move toward sustained public denigration would have encountered

SECRET

SECRET

strong opposition within the leadership and jeopardized the collective facade at the very outset. Finally, the Soviets were probably aware that a "de-Khrushchevization campaign" would sharply aggravate the delicate relations with the Eastern European governments and foreign parties, whose initial criticisms of handling of Khrushchev's dismissal raised a clear danger signal.

Collective Rule

As in the initial period following Stalin's death, Khrushchev's successors have rediscovered the "sacred and immutable" Leninist principle of collective leadership and have vowed to prevent the emergence of a new "personality cult." In contrast to Khrushchev's demagoguery and flamboyance, they have made a studied effort to appear businesslike and dignified. In informing the US Embassy, for example, that the traditional New Year's Eve party in the Kremlin would not be held, Soviet officials implied that this spectacle was considered too Khrushchevian.

Collectivity, particularly in the early stages, was carefully observed in protocol matters, with greetings to foreign leaders signed by Brezhnev, Kosygin, and Mikoyan. In day-to-day matters, party leader Brezhnev and Premier Kosygin seemed rarely to intrude into each other's sphere. Both government and party were represented in missions abroad and in consultations with foreign visitors in Moscow.

Care was taken that no single leader monopolized public attention. Personal publicity in the press was carefully balanced.

This partial and probably temporary closing of ranks, however, does not mean that maneuvering for advantage, competition, and policy differences were not under way within the leadership. There have, in fact, been some indications that the period of relative political truce is coming to an end. But the unprecedented overthrow of a Soviet leader by his erstwhile protégés and lieutenants with the stated purpose of restoring "Leninist norms" of collective leadership appears thus far to have imposed a substantial barrier against the emergence of the kind of earnest struggle for power that marked the early post-Stalin period.

Division of Responsibilities

The process of defining the relative power and positions of the ruling group is still very much in flux. Brezhnev is showing signs of emerging as "first among equals" and his position as party first secretary affords him a powerful advantage. But Premier Kosygin seems to rank not far behind in the external symbols of authority. Although Podgorny's status has recently become ambiguous, his public actions, at least in the first four months, suggested that he was acting as the senior party secretary immediately below Brezhnev. Publicity accorded Mikoyan,

SECRET

SECRET

as titular chief of state, is intended to place him in this inner circle, but the record so far gives the impression that neither he nor Suslov is in the first rank.

The Top Three

In the first months following the Khrushchev coup, Brezhnev seemed to be playing a cautious hand. He avoided firm commitments to any controversial positions and his speeches revealed little except a desire to avoid giving offense to any of the various competing power hierarchies.

At last month's central committee meeting, however, Brezhnev--by acting as spokesman for the bold new agricultural program--created the strongest impression of personal leadership since the fall of Khrushchev. Although the new program was undoubtedly worked out through the efforts of a large number of leading officials, including several members of the party presidium, it will be identified with Brezhnev and he will reap the political benefits of whatever success and popularity the program achieves.

The fact that Brezhnev has been willing to gamble his political career on a program so heavily dependent on touchy shifts in resource allocations suggests his mandate is a strong one and that he is confident of his ability to surmount any opposition from the military or heavy industry forces.

Unlike Khrushchev, Brezhnev has assumed an unobtrusive style which is consistent with other indications that he is very much an "organization man." He is apparently attempting to build a machine manned by a personal following and there are already signs of a Brezhnev clique in the party presidium composed of some of its younger and more energetic members. Shelepin, Demichev, and Kirilenko probably are included in this group. While there is no assurance that this alignment will persist indefinitely, it provides a power base which might enable Brezhnev to establish a commanding position in the party apparatus over a period of a year or two.

There have been only a few signs of a similar power grouping around Premier Kosygin. His strength seems to lie primarily in the respect he commands as an able administrator with an unrivaled knowledge of planning and industrial problems. As such, he may well be the most indispensable member of the present leadership. He has emerged as the leading exponent of a "scientific" and businesslike conduct of affairs. His report to the Supreme Soviet session in December on the 1965 economic plan was free of the usual ideological incantations.

Kosygin has manifested no tendency to emulate Malenkov's ill-fated attempt to aggrandize the governmental machinery at the expense of the prestige and authority of the party apparatus.

SECRET

SECRET

Although Kosygin probably could command wide support within the managerial elite, his performance and power base to date seem to rule him out as a major contender in a contest for supreme power. Since he rose through the government and economic apparatus, not through the party, Kosygin would appear to have little chance of competing successfully with Brezhnev and Podgorny for control of the crucial levers of party power.

Podgorny represents the most uncertain quantity in the present power equation. He was generally considered to be Brezhnev's principal rival for the succession in Khrushchev's last years. In contrast to Brezhnev, who holds no governmental office, Podgorny has used his position as a member of the presidium of the Supreme Soviet to inject himself into foreign relations. In this capacity, he headed a widely publicized delegation to Turkey earlier this year.

There were numerous indications during the first months after Khrushchev's fall that Podgorny was one of the major forces in the leadership. He joined Brezhnev in consultations with foreign Communist delegations. The regime seemed to be trying to demonstrate a near equality of status by designating Brezhnev to give the traditional anniversary speech on 6 November and Podgorny to propose--in the main address at the central committee plenum on 16 November--the reunification of the party organizations for industry and

agriculture. The detailed reporting in the Soviet press on Podgorny's activities in Turkey seemed strong evidence of his importance in the leadership.

Podgorny's status, however, has taken on a degree of ambiguity since his return to Moscow in mid-January. For some unexplained reason, he did not give the television report on his trip until 6 February. Although he continued his role in consultations with foreign party leaders by accompanying Brezhnev to Budapest at the end of February, he did not participate in the 19-party "consultative meeting" in Moscow in the first week of March.

The first tenuous evidence that Brezhnev or other members of the leadership might be attempting to undermine Podgorny's position appeared in the newspaper Economic Gazette in late February. Two articles in one particular issue drew a rather startling contrast between the poor economic performances of the Ukrainian oblast of Kharkov, with which Podgorny is most closely associated, and the excellent performance of the rival Dnepropetrovsk Oblast, which is Brezhnev's old bailiwick.

If Podgorny has in fact become the target of the kind of oblique sniping that marks the early phases of a power struggle, one of his vulnerabilities may be the fact that he, probably more than any of the present leaders, was regarded as a confidant of Khrushchev.

SECRET

SECRET

It would be premature, however, to underrate Podgorny's prospects for survival in this kind of internecine warfare. He is an experienced and shrewd politician and undoubtedly has a sizable personal following in the central committee.

Other Signs of Strain

There have been several indications that the question of personnel appointments is one of the very sensitive issues facing the new leaders. While some of the earlier changes suggested that Brezhnev was beginning to get his own way in this field, later developments indicated a renewed effort to maintain a balance of forces.

No one has clearly emerged as the master of party personnel matters. Speculation that Podgorny, whose specific responsibilities are still not certain, had taken over this potent position has proved so far to be unfounded. Suslov, on one occasion, and Shelepin, on another, represented the hierarchy at important personnel meetings at the provincial level, but Brezhnev, Kosygin, and Podgorny have not been associated publicly with any aspect of cadres work. It seems likely that this responsibility has been diffused among the top leaders in some form of collective control and handled by horse trading and compromise.

This was brought home most markedly as a result of the shifts announced at the March central committee session. The only promotion to full member-

ship in the presidium--that of Mazurov, the former Belorussian party boss--involved a man with a conspicuous lack of ties to any of the prominent contenders for power. In addition, Mazurov also became Kosygin's chief assistant as first deputy premier--a job for which he has absolutely no experience. In another part of this balancing act, Kosygin's former first deputy, Ustinov, was transferred from his home ground in the government to work in the party secretariat under Brezhnev. It is unclear whether Ustinov's transfer indicates an effort to break the Kosygin orientation in the government or whether it reflects the policy of bringing expert opinion closer to policy-making levels.

The latest shifts also failed to clarify the situation in agricultural leadership where vacancies have existed for several months. The question of a replacement for party secretary Ilichev and the ideological and propaganda sphere was also bypassed.

Another possible sign of strain is the failure to appoint a successor to Khrushchev as chairman of the party bureau for the Russian Republic (RSFSR). This post in the past has belonged to the party first secretary. It was created in the Khrushchev era and had become one of the symbols of his undisputed leadership. It is not clear whether Brezhnev has not claimed this post out of deference to collectivity or whether he lacks the political strength to take it in the face of

SECRET

SECRET

opposition. It is possible that some leaders favor abolishing the bureau entirely in order to remove this post from contention.

Economy and Administration

It is unlikely that the new leaders assumed power with any coherent, well-defined program of their own for dealing with the fundamental problems of economic policy and administration. However, it does seem probable that they were as one in rejecting Khrushchev's methods of dealing with economic affairs, especially his affinity for panaceas and opportunism.

Brezhnev pledged on 6 November that the regime would improve the direction of the economy "with circumspection and without fuss and haste." The major objective was to be a more rational approach to economic problems with no initial change in economic priorities. At about this time the government ordered an expansion of experiments involving considerable managerial autonomy in consumer goods production, indicating serious concern with this sector of the economy. The economic plan for 1965 carried some increases for the consumer, but contained no basic changes in the established pattern of resource allocation.

The first major decision of the post-Khrushchev leadership was the reversal in November of the ousted leader's 1962 bifurcation of the party into industrial and agricultural

components. His successors appear convinced that this scheme, which involved untrained and inexperienced party officials in industrial and agricultural management, was incompatible with the basic goal of increasing production and efficiency. Their new approach is in the direction of giving professional managers and economists greater authority and independence from detailed party intervention and administration and returning the party functionaries to their traditional role as overseers of the implementation of party policy.

A few other steps were taken to reverse or modify economic policies in force under Khrushchev. For example, his crash chemical program was re-examined and the more extreme parts of it reduced, many of the restrictions on private farming and private ownership of livestock were abrogated, and several of Khrushchev's agricultural advisers were demoted and a strong administrator was put in charge of the ministry.

At the outset there was apparently no move to abolish the regional economic councils established by Khrushchev in 1957 for managing industry and to return to a centralized ministerial system. By the time of the Supreme Soviet session in December, however, there were indications that this had become a point at issue. A decision was not announced until early March when the government ordered that a ministerial or

SECRET

SECRET

more centralized form of organization would be restored to the defense industries and that the powers of the Ministry of Agriculture, drastically reduced by Khrushchev, would be expanded.

The return of the defense industries to the ministerial system, however, did not necessarily foreshadow similar changes in other branches of industry. The fact that the new regime had approved a decision suggesting increased local direction of consumer-oriented industries indicated that the question of where to draw the line was still under debate and that a variety of organizational solutions might emerge. Progress toward administrative reform is likely to be slow.

Other basic trends of the Khrushchev era have been reaffirmed. The efforts to overcome the weaknesses in overcentralization of planning have been intensified under Kosygin's sponsorship. His report to the Supreme Soviet stated that all branches of the economy eventually would adopt the decentralized system of planning and production. But signs of controversy on this policy appeared when Pravda altered this formulation to read "other" branches. Not unexpectedly, economists such as Liberman have acknowledged that these reform ideas have encountered opposition from "individual economists" in high places.

After five months of the new regime the net impression was of cautious, somewhat halt-

ing movement to reorient Khrushchev's policies. The turning point came at the central committee plenum in late March, when the regime launched a massive program of its own. The new program, broadly covering the agricultural field, is clearly the product of long and careful preparation. It also reveals a broad consensus among the new leaders that sharp improvement in the agricultural sector is the most crucial domestic task facing them, and that it requires drastic measures. The recognition that means for implementing the program must be found by "redistribution within the budget" and that resources, not gimmicks, are required to overcome agricultural stagnation, illustrate what appear to be major differences between Khrushchev and the new leaders. The program suggests that the Brezhnev leadership has faced up to the problems engendered by trying to stretch too few resources among too many programs. In proposing his economic programs, Khrushchev was either unwilling or unable to come to terms with this resource dilemma.

The Secret Police

One of the potentially more important developments has been the new regime's apparent establishment of closer ties with the secret police (KGB). The promotions of Aleksandr Shelepin and Vladimir Semichastny last November were the first signs. Shelepin evidently has been party secretary for police affairs for some time,

SECRET

SECRET

and his elevation to the presidium seems to provide the secret police their most direct representation at the policy level since the purge of Beria in 1953. KGB Chairman Semichastny's elevation to voting membership on the central committee also symbolizes the closer ties.

Immediately following these moves, the regime launched a campaign to enhance the public image of the KGB. Unlike Khrushchev's periodic attempts to reassure the people that party control would prevent a return to terror, the present effort seems designed to glorify the service as such.

These developments suggest that the stature of the KGB has reached a record high for the post-Stalin years. There is no evidence, however, of a corresponding increase in actual secret police authority or of more pervasive KGB activity against the populace.

To some extent, both the promotions of Shelepin and Semichastny and the favorable propaganda for the KGB suggest a payoff by the new leadership. It seems certain that the plot against Khrushchev would have failed without the connivance of the secret police. Furthermore, there seems to be a close relationship between Brezhnev and Shelepin dating from 1958 when Brezhnev was party secretary for police affairs and Shelepin headed the KGB. Shelepin also has a long association with Semichastny, and there are suggestions of a Brezhnev-Semi-

chastny relationship tracing back to their service in the Ukraine after the war.

Of the younger members of the hierarchy, Shelepin more than any other has come to the fore in the post-Khrushchev period. He not only has been brought into the presidium but has also become a top troubleshooter in both internal and foreign affairs. Brezhnev is probably largely responsible for Shelepin's new eminence and thus may have purchased a strong ally in an eventual struggle for supremacy.

The Military Establishment

Relations between the new leadership and the Soviet military must be treated with less certainty. There is virtually no evidence that the military had an active hand in the coup against Khrushchev. At most, the conspirators probably solicited the support of Defense Minister Malinovsky and a few other key officers and were assured that the army would remain passive.

The high command had no reason to come to Khrushchev's rescue. Articles in the military press over the past several months have criticized some of his defense policies, particularly his personal intervention in military affairs, and have stressed the importance of a "scientific" approach in formulating defense policy.

The high command apparently received no rewards for its

SECRET

SECRET

acquiescence in the coup and there are no signs of increased military influence in national policy.

In the field of personnel appointments, only one assignment might be regarded by the officer corps as a clear gain for its vested interests, but it cannot be characterized as politically motivated. In November, Marshal Zakharov was appointed head of the general staff. He is a brilliant and popular professional and, by some accounts, an advocate of traditionalism. But he is 66, and was recalled from semiretirement to a post vacated by Marshal Biryuzov's death.

The Intelligentsia

The new regime's policy toward intellectuals has been essentially one of moderation. The liberals have won the long-sought ouster of several hardliners from positions in artistic and scientific organizations, and in the Moscow and Leningrad literary organizations. In 1962, faced with similar efforts to unseat them, these "Stalinists" appealed successfully to the Kremlin, and regained or strengthened their positions. This time the regime appears to have accepted their defeat.

Pravda editor Aleksey Rumyantsev recently defined the regime's position toward all the intelligentsia--engineers, physicists, and economists, as well as artists. While affirming the party's commanding role, the major intent of the

article was to sanction the expanding role of scientists and economists in decision-making. His treatment of the need for contending viewpoints in developing new ideas suggests a continuation of the open discussion of controversial subjects such as Lysenko's genetics and Liberman's economic reforms.

Rumyantsev's comments on the artistic intelligentsia continued the carefully moderate line set in other editorials, but were not particularly encouraging concerning free discussions among artists and writers. He opened the door to somewhat greater stylistic experimentation, but reaffirmed the educational function of art in forming the Communist outlook of the people, and made clear that the party has no intention of abandoning its authority to condemn trends in the arts and sciences which threaten to undermine its prestige and power monopoly.

Foreign Policy

The new leadership's first major departure from Khrushchev's course in foreign and international Communist affairs has miscarried badly and has plunged the USSR into its most serious policy dilemma since the Cuban crisis of 1962. The calculations underlying an ambitious program to reassert Soviet leadership in the Communist world while maintaining a detente line toward the West were abruptly upset by the chain of events precipitated by the Viet Cong attack on US installations

SECRET

SECRET

in South Vietnam in early February and the US air strikes against North Vietnam. The Soviet leaders now find themselves faced with a deterioration in relations with the US, a potentially dangerous involvement in the Vietnam conflict, and an aggressive Chinese reaction which has again thrown the USSR on the defensive in the contest with Peiping.

This costly venture appears to have been based on the conviction that Khrushchev had drifted too far in the direction of rapprochement with the US at the expense of the Soviet Union's standing in the Communist world. The new leaders, therefore, assigned first priority to restoring a more even balance. To gain freedom of maneuver in coping with the delicate problems of disarray in the Soviet bloc and the world Communist movement, they sought to ensure against serious complications with the West by stressing that foreign policy differences were not involved in Khrushchev's downfall and by reaffirming their continuing commitment to peaceful coexistence and a further reduction of tensions. The new policy, however, not only required a general standstill in relations with the West but a more aggressive posture toward the "imperialists." Appeals for Communist unity in the face of a growing imperialist threat were accompanied by an upsurge in Soviet denunciations of US policy around the world.

In developing this policy, the new leaders had no illusions about Peiping's ambitions and antagonism. Their objective was not to seek a reconciliation but to find more effective means of combating the Chinese challenge. Peiping has tried to discredit the new Soviet line by charging that "in replacing Khrushchev, the new leaders of the CPSU simply changed the signboard and employed more cunning methods and subterfuges in order the better to push through and develop Khrushchevism...."

The main feature of the new Soviet course was to disengage from Khrushchev's penchant for unilateral initiatives and pressures on foreign parties and to wrap Soviet moves in the mantle of multilateral consultations and decisions. Foreign parties were given to understand that the new leaders felt Khrushchev was responsible for bringing the dispute with China down to the level of personal antagonism. They conveyed the impression that although there would be no concessions on long-contested substantive issues, the USSR intended to abandon Khrushchev's "collision course" tactics and work toward a modus vivendi with China. Moscow dropped polemical attacks, called for "step-by-step" progress toward resolving difficulties, and constantly stressed the need for unity in the "common struggle against the common enemy--imperialism." It also professed interest in

SECRET

SECRET

"activizing" state relations with China and announced that proposals had been submitted to Peiping for expanding trade and scientific cooperation.

The most urgent problem at the outset was to find a way to retreat, at the least political cost, from the Communist "preparatory meeting" which Khrushchev had unilaterally scheduled for 15 December. Although talks with Chou En-lai in early November produced no agreement, the Soviets worked out an arrangement with other parties to postpone this meeting. In contrast to the unilateral Soviet action last summer in convoking the December meeting, Pravda announced on 12 December that the meeting had been rescheduled for 1 March after "mutual consultations" with fraternal parties.

By far the most significant move in this unfolding policy was the dispatch in early February of the strong delegation headed by Kosygin to visit North Vietnam and North Korea, with two brief stopovers in Peiping itself. Subsequent events have painfully brought home to the Soviet leaders that they greatly underestimated the strength of Peiping's reaction to what it was bound to consider impudent interference in China's exclusive sphere of influence.

The Russians apparently considered that the success of their new program depended to a great extent on a vigorous assertion of Soviet influence in and support for North Viet-

nam--the only socialist state engaged in active, although indirect, hostilities with the leader of the imperialist camp. It would have been difficult to evade this test since the Chinese had made an issue of Khrushchev's equivocal reaction to the Tonkin Gulf incident last August. Talks with the North Vietnamese delegation to the Soviet revolution celebration last November may have encouraged the Russians to believe that opportunities existed for drawing Hanoi back toward a more "neutral" posture in the Sino-Soviet conflict, thus scoring a significant gain against the Chinese.

The decision to abandon Khrushchev's policy of disengagement from the Indochina conflict probably was also motivated by the belief that a stronger Soviet presence was essential to discourage the possibility of direct US attacks against North Vietnam and to gain a greater voice in Hanoi's conduct of the war. There were indications last fall of Soviet concern that both sides were contemplating actions which could lead to a rapid escalation and confront the USSR with awkward and dangerous decisions. Kosygin's mission was thus partly to warn the North Vietnamese not to underestimate US determination to prevent a Communist victory in the South and to urge them to avoid actions which might provoke US retaliation and to play for time to allow political disintegration in Saigon to ripen.

SECRET

SECRET

Foreign Minister Gromyko's soundings of US policy in the first half of December apparently persuaded Moscow that the risks of this new policy were acceptable. The USSR sought to place inhibitions on US actions by responding favorably, at first privately and later publicly, to the President's suggestion in his State of the Union message that Soviet leaders visit the US.

The initial Soviet reaction to the Viet Cong attack at Pleiku the day after Kosygin arrived in Hanoi displayed not only shock and indignation but a clear lack of foreknowledge of this operation. Private remarks by Soviet officials showed immediate recognition that the USSR had been placed in a very difficult position of having to choose between giving North Vietnam military support or opening itself to Chinese charges of capitulation to the imperialists. While a few Soviet officials termed the US air strike which followed the Pleiku attack an unfriendly act toward the USSR, a more widespread reaction among the Soviets was that the Chinese had inspired the Viet Cong raid in order to embarrass Kosygin and disrupt Soviet-US relations.

As this new phase of the Vietnamese war began the Soviets at first adopted a noncommittal posture, recognizing that the US air strikes and Chinese attacks on proposals for negotiations had at least temporarily closed the option of any specific Soviet proposals for a con-

ference to deal with the crisis. They cautiously associated themselves with the French position on the need for negotiations, but insisted that talks would be impossible as long as US air attacks continued.

Kosygin's carefully drawn statements in his 26 February report on his Asian mission represented the limit to which the Soviets felt able to go at this stage. He avoided commitment to any specific proposal but voiced the desire of "peace-loving countries" for a solution "at a conference table" and called for an end to US strikes in order to create conditions for exploring "avenues leading to the normalization of the situation." But even this cautious formula drew an angry retort from Peiping that China would never bow to US blackmail and that "no socialist country should."

The mutual recriminations between Moscow and Peiping over the 4 March anti-US demonstration in Moscow, which Chinese students turned against Soviet police, destroyed what little remained of the new leadership's attempt to erect a facade of Communist unity.

The combined pressures of Chinese maneuvers to discredit Soviet policy in this crisis and the intensified pace of US - South Vietnamese air strikes in March forced the Soviets to retreat to the position that even preliminary discussions to arrange negotiations are impossible as long as bombings

SECRET

SECRET

continue and that the USSR, in any event, will never make North Vietnam's interests the "subject of a deal with anyone."

Even Soviet attempts to regain influence in Hanoi by pledging military assistance apparently have run into trouble. Although Kosygin and Brezhnev have announced that this commitment is being implemented, Soviet officials have recently complained that the Chinese are interfering with military shipments to North Vietnam.

Policy Toward the West

Although the Soviet leaders recognize that the Vietnam impasse will lead to a further deterioration in relations with the US, they seem to believe that this will not lead to serious complications elsewhere. They have taken care to keep channels open to the US and have privately stressed their interest in joint efforts to find a way out of the crisis.

The new regime, moreover, has continued to express interest in expanding trade and contacts with the US and has avoided pressures on sensitive points such as Cuba. Although the new Soviet leaders immediately reaffirmed Khrushchev's pledges of support and assistance to the Castro regime, they have continued to urge a "normalization" in US-Cuban relations and have refrained from reviving last year's campaign to halt US overflights. There are some indications of a more

critical Soviet attitude toward Cuban economic failures and mismanagement and of greater pressures on Castro to support the Soviet position in the conflict with China.

Khrushchev's successors have been too preoccupied with domestic problems, the Vietnam crisis, and the abortive venture in international Communist affairs to give much attention to other major foreign policy questions. Their concern to reduce Soviet vulnerability to Chinese attacks in the present crisis atmosphere has been reflected in an apparent reluctance to resume the Geneva disarmament talks and to set a specific date for Kosygin's visit to Britain.

The Soviets appear to be generally satisfied with the status quo in Central Europe. There are no signs of any major departures in their policy with respect to Berlin and a German peace treaty. They have continued the trend during Khrushchev's last two years of stressing the importance of European security as a means of covering the abandonment of the long Soviet campaign for a Berlin settlement and a peace treaty.

In seeking ways to further erode four-power responsibility for German reunification, the Soviets have recently shown greater interest in President de Gaulle's proposals for placing a German settlement in the broader framework of European security. They signaled their

SECRET

SECRET

interest in beginning a dialogue with the French by appointing Deputy Foreign Minister Zorin as ambassador to Paris. Pravda has praised the "candor and realism" of De Gualle's views and stated that they "open interesting prospects."

Afro-Asian World

There have been no significant modifications in Moscow's orientation toward the Afro-Asian area. The new leaders emphasized the continuity in their policies, particularly on such key issues in the Sino-Soviet conflict as military assistance to India. Their attempt to develop a more effective strategy for dealing with the Chinese challenge, however, appears to have placed an even higher premium on strengthening Soviet influence in countries such as Indonesia, the UAR, Algeria, and other radical African states. The Soviets have continued Khrushchev's policy of establishing close relations not only with neutralist, anti-Western governments but with non-Communist ruling parties, such as those in Algeria and Mali.

The new leaders have maintained Khrushchev's policy of exploiting the Cyprus crisis with the aim of disrupting the southern flank of NATO, bringing about the withdrawal of foreign troops and bases on the island, and complicating efforts to achieve a political settlement. They have persisted in efforts to please both sides without committing the USSR to full support of either. Moscow

has carried out the military aid agreement with Cyprus signed two weeks before Khrushchev's downfall and has continued vigorous opposition to any foreign military intervention. But it has balanced this policy by adopting a more favorable attitude toward Turkey.

International Communism

Although the Soviets managed to avoid a complete debacle in their moves to liquidate Khrushchev's project for a new world Communist conference, the failure of their program to reassert Soviet leadership behind a facade of Communist unity against imperialism and the inconclusive results of the 19-party "consultative meeting" in early March have aggravated the manifold problems of dealing with the erosion of Soviet authority in the Communist world. Although the new leaders apparently intend to continue sporadic efforts to isolate and discredit the Chinese by demonstrating Peiping's unwillingness to participate in bilateral and multilateral consultations to resolve differences, this course holds little prospect for success in view of the reluctance of important foreign parties to join in any collective condemnation of China. Faced with this impasse, it seems likely that the Soviets will concentrate greater attention on cultivating ties with non-Communist leftist regimes and parties in Africa and Asia and encouraging Western Communist parties to form alliances

SECRET

SECRET

with social democratic parties and other groups primarily on domestic issues which will minimize Communist ties with Moscow. This strategy is a continuation of Khrushchev's efforts to counter Chinese claims to Communist orthodoxy by developing a loose grouping composed of pro-Soviet parties and non-Communist parties committed to a "noncapitalist" course in national development.

Outlook

The new agricultural program testifies to the collective leadership's ability to make bold and far-reaching decisions on fundamental policy questions. It confirms that Khrushchev's successors have managed so far to avoid the kind of stultifying discord and immobility that caused previous ventures in collective leadership to fail. But the new regime will face a formidable array of problems over the next year or so in both domestic and foreign policy, which almost certainly will increase pressures on this inherently unstable power structure and strengthen the tendency to disruptive intrigues and divisions.

The agricultural program will require adjustments in the economy, particularly on the vital matter of resource allocations. It will be difficult to prevent the transformation of these decisions into issues of power and prestige among competing power hierarchies. These inherent conflicts of interest are likely to be sharpened by

the process of formulating the line to be presented to the 23rd party congress which, under party statutes, should be held sometime this year. The drafting of the five-year plan which becomes effective next January will also require decisions that cannot fail to influence power relationships. The selection of new central committee members prior to the party congress seems likely to intensify competition and discord among the top leaders.

In the foreign policy field, the new regime will not be able to evade decisions in the Vietnam crisis which are bound to have profound effects on the struggle with China and on the future orientation of Soviet relations with the West. The issues in Vietnam far transcend immediate tactical questions of support for Hanoi and attitude toward negotiations, because the Chinese leaders are exploiting this conflict to discredit the USSR's position on "national liberation wars" and its "peaceful coexistence" policy toward the West.

In surveying the wreckage of their design to restore Soviet leadership in the Communist world, Khrushchev's successors have good reason to entertain some rueful thoughts about the wisdom of his policy in dealing with the Chinese and avoiding involvement in the Indochina duel between the US and Peiping and Hanoi. Khrushchev had recognized that the USSR was operating at great disadvantage vis-a-vis China in this area and

SECRET

SECRET

that no Soviet interests would be served by political or military intervention in this duel.

The difficult position in which the Soviets now find themselves seems likely to intensify the hazards in trying to pursue simultaneously the conflicting requirements of domestic reform and growth, which favor stability and a detente line with the West, and the drive to outbid and outmaneuver the Chinese in a vain quest for "leadership" of the Communist world. This condition of political schizophrenia has long been at the root of Soviet frustrations and abrupt swings in policy lines. Although it is beyond the capacity of any Soviet regime to make a clearcut choice between these conflicting purposes, Khrushchev's decisions in the last year of his rule tended to fall on the side of defending and advancing the USSR's interests and need as a great power at the expense of its pretensions to Communist leadership.

The new leaders now are faced with the same problem of determining the order of priorities in dealing with foreign and Communist affairs. Their uncertainty and hesitation in handling the Vietnam crisis reflects awareness of the high stakes involved. But the miscarriage of their first major foreign enterprise has resulted not only in a painful demonstration of the incompatibility between Soviet and Chinese objectives but in a forceful reminder of the coincidence of Soviet and US interests in blocking an expansion of Chinese power. Moscow will have little freedom of action as long as the Vietnam crisis remains acute. But the experience of the past two months, coupled with the urgent requirements of domestic economic reform and growth, seems likely over the longer term to strengthen the Soviet leaders' incentive to move back toward detente and accommodation with the US as the main focus of their policy.

25X1

* * *

SECRET

SECRET

SECRET